(b) if so, what are the details thereof; and

(c) by when this system is likely to be implemented by India and other leading Western countries

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K. R. NARAYANAN): (a) No, Sir.

(b) Does not arise.

(c) At present the USA-USSR. Canada-France 'COSPAS-SARSAT' Space-Segment, which involves secondary Search & Rescue payloads on certain orbiting satellites provides distress alert detection and position location function. India is in the process of finalising an Agreement with the 'COSPAS-SARSAT' Parties for Indian use of the 'COSPAS—SARSAT' Space-segment and establishment and operation of a Local User Terminal (LUT) in India. A recent US geo-stationary satellite has carried the first 406 MHz Search & Rescue payload for immediate detection of 406 MHz distress signals. The forthcoming INSAT-IIA and IIB satellites, being built in India, will also carry similar 406 MHz Search & Rescue Payloads to complement the Search & Rescue Space-Segment capabilities available from 'COSPAS—SARSAT'.

Manufacture of T-72 tank equipment by private sector

2281. SHRI KAPIL VERMA:
SHRIMATI VEENA VERMA:

Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Government have shifted its policy on defence production by inviting private sector to manufacture equipment of Soviet T-72 tanks and infantry combat vehicles;

(b) if so, whether it is not a violation of Industrial Policy Resolution;

(c) whether Government have considered the fact that the public sector can be improved for the purpose of supplying equipments for the defence;

(d) if so, what is the reaction of Government in this regard; and

(e) what are the highlights of modernisation programme for the armed forces, undertaken by Government in view of the worsening security environment?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) and (b) It has been the policy of the Government to increasingly associate Civil Sector Industry (Public Sector and Private Sector) in the manufacture of defence stores and equipment. There has been no shift in the policy. It is only in keeping with this policy that about 50 per cent of the systems required for the manufacture of Infantry Combat Vehicles (T-72 Tanks|BMP) in the Ordnance Factories have been earmarked for indigenous development and production by the Civil Sector Industry. This does not constitute a violation of Industrial Policy Resolution, since, the Resolution does not prohibit manufacture of non-lethal defence items in the Civil Sector.

(c) and (d) The capacity of the Public Sector Undertakings is also being continuously exploited to the maximum extent possible to meet the requirement of the Defence Services.

(e) The modernisation of the Armed Forces is a continuous process which is kept constantly under review, keeping in view the threat perception and geo-political situation. Some of the thrust areas of the modernisation process include:

Modernisation of the existing armoured vehicles and induction of better ones.

Modernisation of infantry.

Enhancement of surveillance and electronic warfare capabilities.

Strengthening of integral air support.

Augmentation of night fighting capabilities.

Induction of force multipliers and introduction of computerised Command Control and Information Systems.

Purchase of floating dry dock by the Indian Navy

2282. DR. (SHRIMATI) SAROJINI MAHISHI:
SHRIMATI KRISHNA KAUL:

Will the Minister of DEFENCE be pleased to state:

(a) whether the Indian Navy has purchased a loading dock from M|s. Escorts Limited recently;

(b) whether it is a fact that no negotiations on the purchase of the floating dry dock were held with M|s. Escorts Limited;

(c) if so, how the price of $ 18 million has been paid to M|s. Escorts Limited; and

(d) whether the price of the floating dry dock has been paid in Indian currency or foreign currency and where?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) Yes, Sir.

(b) No, Sir.

(c) and (d) The Floating Dry Dock has been purchased after due negotiations, from M|s. Escorts Limited, India at a price of Rs. 10.9 crores, and the payments are to be made in Indian currency.

Escalation in foreign exchange expenditure on MBT

2283. SHRI KAILASH PATI MISHRA:
SHRI LAL K. ADVANI:

Will the Minister of DEFENCE be pleased to state:

(a) whether the foreign exchange expenditure in the design and manufacture of prototype of Main Battle Tank (MBT) has escalated from about Rs. 4 crores to about Rs. 89 crores and even then, the 6 MTU engines from West Germany have proved incompatible;

(b) whether it is a fact that MTU's Indian representative and Head of M|s. Globe Tech. has said that the reason of engines' failure was that Indian order did not specify requirements suitable for Indian climatic conditions;

(c) what are the details in this regard; and

(d) upon whom the responsibility for the lapse has been fixed?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) The upward revision of the project estimates was due to changes in qualitative requirements, increase in number of prototypes to be fabricated and manufacture of pre-production series tanks. The six MTU engines have been fitted on the prototypes which are under evaluation.

(b) and (c) The Agreement with MTU fully specifies the operating and technical requirement of the engines in Indian climatic conditions. There have been no engine failure so far.

(d) Does not arise.